



County of Los Angeles

CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 12, 2003

To: Supervisor Yvonne Braithwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

STATE LEGISLATIVE UPDATE

Governor's May Revision

The Governor's May Revision will be released on Wednesday, May 14, 2003. The time has not yet been announced. Capitol sources indicate that the State's deficit is expected to be higher because revenue projections will not be met.

Budget Subcommittee Hearings

Assembly Budget Subcommittee No. 1 on Health and Human Services

On May 5, 2003, the Assembly Budget Subcommittee No. 1 discussed the Board of Supervisors' January 21, 2003 request to redirect a portion of State savings to the County's Health Authority Law Enforcement Task Force (HALT) because of the County's success in investigating Medi-Cal fraud cases. A representative of the Task Force testified to HALT's effectiveness in assisting the State in detecting Medi-Cal fraud cases and in saving the State millions of dollars annually. Representatives from the State Department of Health Services were supportive of HALT and will look into the possibility of obtaining federal dollars to help offset the County's operating cost for the Task Force. The Department of Finance and the Legislative Analyst's Office opposed the redirection of State dollars because of the State's negative fiscal environment.

Senate Budget Subcommittee No. 1 on Education

On May 5, 2003, the Senate Budget Subcommittee No. 1 discussed the AB 3632 Program, which provides special mental health services to seriously emotionally disturbed pupils and handicapped students identified in public schools. Los Angeles County Mental Health Director, Dr. Marvin Southard, testified that while mental departments are willing to provide these essential services, they need to have a

guaranteed, fully-reimbursable funding source. Many counties contract with outside vendors to provide these services to students, but they are not fully paid until the County receives reimbursement. These partial payments pose a hardship for vendors and many of them have said that services may be discontinued or reduced if full payment is not made. The Subcommittee did not take any action.

Senate Budget Subcommittee No. 3 on Health and Human Services

On May 8, 2003, the Senate Budget Subcommittee No. 3 eliminated funding for the Statewide Fingerprint Imaging System (SFIS) on a 4-1 vote. The County testified in opposition to this proposal at the Subcommittee's March 13, 2003 hearing, but action was deferred until May 8, 2003. The Assembly is expected to act on this issue during the week of May 19th.

Pursuit of County Position on Legislation

AB 749 (Matthews), as amended on April 1, 2003, would repeal the requirement of statewide fingerprint imaging to determine eligibility for CalWORKs and Food Stamps. The Department of Public Social Services recommends that the County oppose AB 749, and we concur. Opposition to AB 749 is consistent with Board Action of January 21, 2003 to send a five-signature letter to the Governor opposing the elimination of the Statewide Fingerprinting Imaging System. **Therefore, our Sacramento advocates will oppose AB 749.** This measure is currently in the Assembly Human Services Committee awaiting a hearing date.

Status of County-Interest Legislation

AB 83 (Corbett), on which the County has a support and amend position, was placed on the Assembly Appropriations Committee's suspense file on May 7, 2003 because of increased State costs. This bill would require each water bottler, water vendor, water hauler and retail water facility to provide an annual consumer confidence report to its customers. The County is seeking an amendment to the bill to specify a distribution method for the consumer confidence report and to exempt water haulers from the consumer confidence report requirement.

AB 231 (Steinberg), which the County opposes unless amended to delete the provision which would eliminate the Statewide Fingerprint Imaging System (SFIS), was placed on the Assembly Appropriations Committee's suspense file on May 7, 2003 because of increased State costs.

County-supported AB 348 (Chu) passed the Assembly Health Committee on a vote of 20-0 on May 6, 2003. This bill would allow a psychologist to authorize the release of a person from an involuntary hold prior to the end of the holding period if the psychologist is in a collaborative treatment relationship with a psychiatrist and both have examined the patient and consulted with one another. AB 348 proceeds to the Assembly Floor.

County-supported AB 355 (Pacheco), which would amend the definition of escape from custody by a juvenile to include escape or attempted escape from a regional facility, a privately owned facility, or from a field trip site, passed the Assembly by a vote of 73 - 0, on May 8, 2003. AB 355 will go to the Senate for assignment to a committee.

County-supported AB 936 (Reyes), which would amend the Penal Code to include protections against "baby stalking" which is defined as any person who loiters, prowls, or wanders about and refuses to leave, or fails to leave a neonatal unit, maternity ward, or birthing center located in a hospital or clinic, passed the Assembly on May 8, 2003, by a 73 - 0 vote. AB 936 will go to the Senate for assignment to a committee.

County-sponsored AB 1153 (Bermudez), which would criminalize the unlawful or unauthorized use, manufacture or sale of any official State, county, city, city and county or agency badge and/or associated photographic identification cards, passed the Assembly on May 8, 2003 on a 73 - 0 vote. It will go to the Senate for assignment to a committee.

County-supported AB 1738 (Health Committee) passed the Assembly Appropriations Committee on its consent calendar on May 7, 2003, and now proceeds to the Assembly Floor. This bill contains a provision to allow retail food establishments to lower the holding temperature for hot foods from 140 degrees Fahrenheit to 135 degrees Fahrenheit.

County-supported SB 2 (Burton), which would create an employer-based universal health coverage plan, and **County-supported SB 921 (Kuehl)**, which would establish a single-payer based universal health care coverage plan, passed the Senate Health and Human Services Committee on May 7, 2003, on votes of 7-1 and 8-1, respectively. SB 2 proceeds to the Senate Appropriations Committee and SB 921 was referred to the Senate Rules Committee for further committee assignment.

County-sponsored SB 59 (Escutia), which would establish a writ procedure for the review of all placement orders affecting the adoption of children intended to shorten the amount of time on adoption appeals, passed the Senate Floor on May 8, 2003 by a vote of 33 - 1. The measure now proceeds to the Assembly where it is expected to be referred to the Assembly Judiciary Committee.

County-supported SB 457 (McPherson), which would have repealed the existing penalty provisions for delayed payments for workers' compensation and specified that only the delayed payment, not all payments, were subject to a penalty assessment, was amended in the Senate Judiciary on May 7, 2003. It is now a spot bill that may be part of a broader discussion of workers' compensation reform that the Republicans want as part of a budget agreement.

County-sponsored SB 726 (Romero), which would allow a county board of supervisors to place a local alcohol tax on the ballot, was held on the Senate Revenue and Taxation Committee's Suspense File on May 7, 2003. Miguel Santana testified in support of the bill on behalf of Supervisor Gloria Molina and emphasized the need for the measure to provide a revenue source for the County's health system. Advocates representing the alcohol industry testified in opposition to the bill and asserted it would have a negative impact on restaurants, bars, wineries and breweries. Senator Debra Bowen expressed her support to increase the State's alcohol excise tax, and queried the opposition about their position on the excise tax. Senator Bowen also stated her opposition to potential reductions in the County health system, particularly Harbor/UCLA Medical Center. The Committee is expected take up its suspense file on June 11, 2003.

We will continue to keep you advised.

DEJ:GK
MAL:EW:ib

c: Executive Officer, Board of Supervisors
 County Counsel
 Local 660
 All Department Heads
 Legislative Strategist
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities
 City Managers Associations